

## DIVISION B1

## COMMERCIAL TERMS

address, or the depositing in the United States Mail, registered or certified with postage prepaid, addressed to the Contractor at such address, will constitute notice thereof.

3. Payment: Payment will be made within thirty (30) calendar days after receipt of an invoice. IPSC will pay undisputed portions of each progress invoice within thirty (30) days of the date of the invoice. If payment is not maintained on a thirty (30) day current basis, the Contractor may suspend further performance until payments are current. IPSC will notify the Contractor of any disputed amount within fifteen (15) days from date of the invoice, give reasons for the objection, and promptly pay the undisputed past amount. IPSC will pay an additional charge of one and one-half percent (1½ %) per month or the maximum percentage allowed by law, whichever is the lesser, for any undisputed past due amount. In the event of a legal action for invoice amounts not paid, attorneys' fees, court costs, and other related expenses will be paid to the prevailing party.
4. Basis of Payment: The Contractor will be paid based on a per-scrubber-module fee of Thirty-Six Thousand Dollars (\$36,000) with twelve (12) total installations possible. This fee will cover all technology license fees, engineering, design, and installation verification. Fabrication and installation will be performed by others. In addition, the Contractor will be paid a one (1) time fee of Thirty-Thousand Dollars (\$30,000) for initial performance testing and contract verification on the first module installation. Following successful completion of the performance test on the demonstration module, IPSC agrees to proceed with the purchase and installation of the remaining eleven (11) modules and the compensation for all twelve (12) modules will be made to the Contractor as each module is completed. ~~No payments will be made until the performance testing has been completed and the testing on the test module successfully demonstrates compliance to the performance requirements of the Contract as outlined in Part D of this Agreement.~~

*Done  
Dated  
CA  
Richard H. Lighter  
Section  
HERE  
New Paragraph*
5. Indemnity Clause: The Contractor undertakes and agrees to indemnify, hold harmless, and at the option of the Intermountain Power Agency, defend Intermountain Power Agency, Intermountain Power Service Corporation, Los Angeles Department of Water and Power, and any and all of their boards, officers, agents, representatives, employees, assigns and successors, in interest from and against suits and causes of action, claims, charges, costs, damages, demands, expenses (including, but not limited to, reasonable attorneys' fees and cost of litigation), judgments, civil fines and penalties, liabilities or losses, for death, bodily injury or personal injury to any person, including the Contractor's employees and agents, or damage or destruction to any property of either party hereto, or third persons to the extent caused by the Contractor's negligent acts, errors, or omissions the performance of this Contract on the part of the Contractor, or the Contractor's officers, agents, employees, or subcontractors of any tier, except for the negligence of IPA, IPSC, LADWP, or their boards, officers, agents, representatives, or employees.
6. Insurance Requirements: Prior to the start of work, but not later than thirty (30) days after date of the award of Contract, the Contractor will furnish IPSC evidence of coverage from insurers acceptable to IPSC and in a form acceptable to the Insurance Analyst for IPSC. Such insurance will be maintained by the Contractor and at the Contractor's sole cost and expense.

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*Done after CA*  
*add the lighter section HERE*  
*New Paragraph*
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